608,775

Duke Energy Progress
Sullivan Rebuttal Exhibit 3
Regulatory Capital Structure
As of December 31, 2018

Supplemental for ORS Schedule 10

Duke Energy Progress

Cost of Capital - Electric Operations

12 Months Ended December 31, 2018

Dollars in Thousands

Total C	ompany
---------	--------

		Total Company											
		Per Books					As Adjusted						
Line <u>No.</u>	<u>Description</u>	Amount (Col. 1)	<u>Ratio</u> (Col. 2) %	Retail <u>Rate Base</u> (Col. 3)	Embedded Cost/ <u>Return</u> (Col. 4) %	Weighted Cost/ <u>Return</u> (Col. 5) %	Operating Income (Col. 6)	Amount (Col. 7)	<u>Ratio</u> (Col. 8) %	Retail <u>Rate Base</u> (Col. 9)	Embedded Cost/ <u>Return</u> (Col. 10) %	Weighted Cost/ <u>Return</u> (Col. 11) %	Operating Income (Col. 12)
1	Long Term Debt	\$ 7,508,191	46.27%	\$ 6,822,771	4.16%	1.92%	\$ 283,827	\$ 7,508,191	46.27%	\$ 7,518,445	4.16%	1.92%	\$ 312,767
2	Preferred Stock	-	0.00%	-	0.00%	0.00%	-	-	0.00%	-	0.00%	0.00%	-
3	Common Equity	8,717,931	53.73%	7,922,790	8.43%	4.53%	668,275	8,717,931	53.73%	8,730,626	6.12%	3.29%	534,602
4	Total	\$ 16,226,122	100.00%	\$ 14,745,561	3.1370	1.3370	\$ 952,102	\$ 16,226,122	100.00%	\$ 16,249,071	0.12/0	3.2370	\$ 847,369
				, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,									
								SC Retail					
		Per Books				As Adjusted							
Line <u>No.</u>	<u>Description</u>	Amount (Col. 1)	Ratio (Col. 2)	Retail Rate Base (Col. 3)	Embedded Cost/ Return (Col. 4)	Weighted Cost/ Return (Col. 5)	Operating <u>Income</u> (Col. 6)	Amount (Col. 7)	Ratio (Col. 8)	Retail <u>Rate Base</u> (Col. 9)	Embedded Cost/ Return (Col. 10)	Weighted Cost/ Return (Col. 11)	Operating Income (Col. 12)
_	Louis Town Dobt	\$ 7.509.101	%	\$ 600,330	%	%	\$ 20,000	\$ 7.508.101	%	\$ 770.150	%	%	\$ 22,020
5 6	Long Term Debt Preferred Stock	\$ 7,508,191	46.27% 0.00%		4.16%	1.92% 0.00%	\$ 29,088	\$ 7,508,191	46.27% 0.00%		4.16% 0.00%	1.92% 0.00%	\$ 32,039
7		0 717 021	53.73%	-	0.00%		-	0.717.021		- 204 220			- (2.152
,	Common Equity Total	\$,717,931 \$ 16,226,122		811,966	10.31%	5.54%	\$3,677	\$ 16,226,122	53.73% 100.00%	\$94,330	6.95%	3.73%	62,152
0	Total	7 10,220,122	100.00%	\$ 1,511,196			\$ 112,765	3 10,220,122	100.00%	\$ 1,664,489			\$ 94,191
		Whol					Wholesale	le and Other					
		Per Books					As Adjusted						
Line <u>No.</u>	<u>Description</u>	<u>Amount</u> (Col. 1) \$	<u>Ratio</u> (Col. 2) %	Retail <u>Rate Base</u> (Col. 3) \$	Embedded Cost/ <u>Return</u> (Col. 4) %	Weighted Cost/ <u>Return</u> (Col. 5) %	Operating <u>Income</u> (Col. 6)	<u>Amount</u> (Col. 7) \$	<u>Ratio</u> (Col. 8) %	Retail <u>Rate Base</u> (Col. 9)	Embedded Cost/ <u>Return</u> (Col. 10) %	Weighted Cost/ <u>Return</u> (Col. 11) %	Operating <u>Income</u> (Col. 12) \$
9	Long Term Debt	\$ 7,508,191	46.27%	\$ 1,553,227	4.16%	1.92%	\$ 64,614	\$ 7,508,191	46.27%	\$ 1,734,968	4.16%	1.92%	\$ 72,175
10	Preferred Stock	-	0.00%	-	0.00%	0.00%	-	-	0.00%	-	0.00%	0.00%	-
11	Common Equity	8,717,931	53.73%	1,803,650	4.90%	2.63%	88,361	8,717,931	53.73%	2,014,693	3.59%	1.93%	72,229
12	Total	\$ 16,226,122	100.00%	\$ 3,356,876			\$ 152,975	\$ 16,226,122	100.00%	\$ 3,749,661			\$ 144,404
		Other Retail											
		Per Books					As Adjusted						
Line				Retail	Embedded Cost/	Weighted Cost/	Operating			Retail	Embedded Cost/	Weighted Cost/	Operating
No.	Description	<u>Amount</u>	<u>Ratio</u>	Rate Base	<u>Return</u>	<u>Return</u>	<u>Income</u>	<u>Amount</u>	<u>Ratio</u>	Rate Base	<u>Return</u>	<u>Return</u>	<u>Income</u>
		(Col. 1)	(Col. 2)	(Col. 3)	(Col. 4)	(Col. 5)	(Col. 6)	(Col. 7)	(Col. 8)	(Col. 9)	(Col. 10)	(Col. 11)	(Col. 12)
		\$	%	\$	%	%	\$	\$	%	\$	%	%	\$
13	Long Term Debt	\$ 7,508,191	46.27%	\$ 4,570,314	4.16%	1.92%	\$ 190,125	\$ 7,508,191	46.27%	\$ 5,013,318	4.16%	1.92%	\$ 208,554
14 15	Preferred Stock Common Equity	- 8,717,931	0.00% 53.73%	- 5,307,174	0.00% 9.35%	0.00% 5.02%	- 496,237	- 8,717,931	0.00% 53.73%	- 5,821,603	0.00% 6.87%	0.00% 3.69%	- 400,221
16	Total	\$ 16 226 122	100.00%	\$ 0.977.499	9.33/0	J.UZ/0	\$ 686.262	\$ 16 226 122	100.00%	\$ 10.924.021	0.07/0	3.09/0	\$ 608.775

686,362 \$ 16,226,122

100.00% \$ 10,834,921

[A] Long Term Debt includes Mortgage and Pollution Control Bonds, Senior Debt, Unamortized Debt Expense and Discounts and Premiums. Current maturities are excluded.

100.00% \$ 9,877,488

[B] Includes net of tax Piedmont merger costs to achieve of approximately \$478 thousand.

\$ 16,226,122

16

Total